

State of New Jersey — Department of the Treasury
Division of Pensions and Benefits
PO Box 295 Trenton, NJ 08625-0295
L O A N A P P L I C A T I O N
Judicial Retirement System



1. **Membership#:** _____ 2. **Social Security #:** _____

3. **Name:** _____
(Please Print) *First* *Middle Initial* *Last*

4. **Mailing Address:** _____
(Please Print) *Street*
City *State* *Zip Code*

5. **Date of Birth:** _____

6. **Daytime Telephone#:** _____
Area Code

7. Amount of Loan Requested - If you wish to borrow the highest amount allowable, write in the word "Maximum"; if not, write in a specific amount.

\$ _____

8. Loan Repayment Requested - If you wish to repay at the lowest amount allowable, write in the word "Minimum"; if you wish to pay more than the minimum, write in an amount.

\$ _____ biweekly

I understand that I must repay this loan together with any balance I may have outstanding on a present loan, with interest at **4% per annum**, through payroll deductions or, in the case of retirement, as indicated in the "LOAN PROVISIONS" section of this application. I certify that I am an actively contributing member and that **I am not currently on a leave of absence without pay**. (See reverse side.)

JUDICIARY-750

Signature of Member

Current Employer

State of _____

County of _____

Sworn and subscribed before me this _____ day of _____, _____.

Signature of Notary or Commissioner of Deeds _____

My Commission expires ____/____/____.

Official Title _____

If you have been out of work without pay within the last 6 months or have recently changed employers, please have your current employer certify the following information in order to process your loan application.

Date Member Returned to Payroll: ____/____/____ Current Salary: \$ _____

Amount of Loan Contributions submitted since return: \$ _____

Signature of Certifying Officer

— over —

LOAN PROVISIONS AND INSTRUCTIONS

LOAN PROVISIONS —

- Interest rate is 4% per annum on the declining balance of the loan.
- To be eligible, you must be an active contributing member of the Judicial Retirement System.
- To be eligible, you must have three years of contributing membership POSTED to your account. (This usually occurs three years and three months after enrollment.)
- **You are allowed only two loans in any calendar year. The Division of Pensions and Benefits will retain your loan application on file for one year only.**
- If you retire with an outstanding loan balance, under the provisions of Chapter 132, P. L. 1999, you have the option to pay-off the outstanding loan balance **in its entirety** or to repay the loan through deductions from your retirement benefit payments until the balance of the loan **together with interest** is repaid. Payments will be the monthly equivalent of the amount deducted from your compensation immediately before retirement.
- If you die before the outstanding loan balance with interest has been recovered, the remaining balance will be repaid from the proceeds of any other benefit payable to your beneficiary(ies) including group life insurance or monthly payments.

INSTRUCTIONS —

ITEM 4 — ADDRESS: We suggest you have your check mailed to your home address instead of work, especially if you work for a large employer. Loan checks must be mailed. They cannot be picked up at the Division of Pensions and Benefits.

If your address changes between the time you file the application and the check is mailed, you may change your address by contacting the Division of Pensions and Benefits at (609) 292-7524.

ITEM 7 — AMOUNT OF LOAN REQUESTED: Loans are made in multiples of \$10 and may not exceed 50% of your total contributions. No loan may be less than \$50, and no loan may exceed \$50,000.

ITEM 8 — LOAN REPAYMENT REQUESTED: Your minimum repayment is scheduled in equal payments which will be equal to or greater than biweekly base salary multiplied by your rate of

contribution (3%). You cannot repay less than the minimum amount. Repayment may not exceed 25% of your base salary (maximum deduction). If you want to repay within a specific period of time write "Repay by (date)" in the repayment block.

SIGNATURE AND NOTARY: Be sure to sign your application and have your signature witnessed by a Notary Public. For your own protection, unsigned or improperly notarized applications will not be processed. The Division cannot accept photocopies or faxes of completed applications.

EMPLOYER CERTIFICATION: The bottom portion of the application is to be filled out by your employer **only** if you have been out of work without pay for two weeks or more within the last 6 months or have recently transferred employment. If you are unsure, please see your employer or call the Division of Pensions and Benefits at (609) 292-7524.

IMPORTANT — The following are frequently-asked questions concerning loans.

1. *Will the amount I borrow affect the amount of the biweekly deduction?*

The minimum loan repayment deduction is calculated the same way regardless of the amount you borrow. Therefore, your loan deduction will be the same whether you borrow \$200 or \$5,000. However, the repayment of a larger loan will continue for a longer period than a smaller loan.

2. *Can the deduction amount be changed later?*

You cannot pay less than the minimum deduction. Once loan deductions are certified, deductions cannot be changed unless you are retiring within two years and want your loan paid off by your retirement date. In such cases, requests for loan recertifications must be made in writing. You can receive additional information about the recertification of loan deductions by contacting the Division of Pensions and Benefits at (609) 292-7524.

3. *When will the deductions start?*

Loan deductions begin approximately two months after the loan is processed. The Division of Pensions and Benefits will send two copies of a Certification of Payroll Deductions to your employer. This will explain when the loan deductions will start, how many deductions will be made and how much they will be. Your employer should give you a copy of the certification.

4. *If I am out of work without pay or terminate employment, must I continue to make loan payments?*

Loan payments are only made as deductions from your salary. When you return to public employment, you or your employer must notify the Division of Pensions and Benefits. Upon such notification, loan deductions will be recertified with added interest. If you terminate public employment and withdraw your contributions, you will receive your total contributions less any outstanding loan balance.